TOBACCO BILL/Cloture, Commerce-2 Substitute

SUBJECT: National Tobacco Policy and Youth Smoking Reduction Act . . . S. 1415. Daschle motion to close debate on the Commerce Committee modified substitute amendment No. 2420.

ACTION: CLOTURE MOTION REJECTED, 42-56

SYNOPSIS: The "Commerce-2" committee substitute amendment (see NOTE in vote No. 142) to S. 1415, the National Tobacco Policy and Youth Smoking Reduction Act, will raise up to \$265.0 billion over 10 years and up to \$885.6 billion over 25 years from tobacco company "payments" (assessments) and from "look-back" penalties that will be imposed on tobacco companies if they fail to reduce underage use of tobacco products. Most of the money will come from the required payments (\$755.67 billion over 25 years). Additional sums will be raised from other fines and penalties on tobacco companies, and the required payments will be higher if volume reduction targets on tobacco use are not met. The tobacco companies will be required to pass on the entire cost of the payments to their consumers, who are primarily low-income Americans. By Joint Tax Committee (JTC) estimates, the price of a pack of cigarettes that costs \$1.98 now will rise to \$4.84 by 2007. The amendment will require the "net" amount raised, as estimated by the Treasury Department, to be placed in a new tobacco trust fund. (The net amount will be equal to the total amount collected minus any reductions in other Federal revenue collections that will occur as a result of increasing tobacco prices. For instance, income tax collections will decline because there will be less taxable income in the economy). The JTC estimates that the amendment will raise up to \$232.4 billion over 9 years, but only \$131.8 billion net. Extending the JTC's assumptions through 25 years, a total of \$514.2 billion net will be collected. The amendment will require all of that money to be spent; 56 percent of it will be direct (mandatory) spending. The Federal Government will give States 40 percent of the funds and will spend 60 percent. Medicare will not get any of the funding in the first 10 years unless actual revenues are higher than estimated in this amendment (in contrast, the Senate-passed budget resolution required any Federal share of funds from tobacco legislation to be used to strengthen Medicare; see vote No. 84).

(See other side)

YEAS (42)			NAYS (56)			NOT VOTING (2)	
Republicans (0 or 0%)	Democrats (42 or 95%)		Republicans (54 or 100%)		Democrats (2 or 5%)	Republicans Democrats (1) (1)	
	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Feingold Feinstein Glenn Graham Harkin Hollings	Johnson Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Reed Reid Rockefeller Sarbanes Torricelli Wellstone Wyden	Abraham Allard Ashcroft Bennett Bond Brownback Burns Campbell Chafee Coats Cochran Collins Coverdell Craig D'Amato DeWine Domenici Enzi Faircloth Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch	Helms Hutchinson Hutchison Inhofe Jeffords Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Sessions Shelby Smith, Bob Smith, Gordon Snowe Stevens Thomas Thompson Thurmond Warner	Ford Robb	Specter- ³	Inouye- ² FION OF ABSENCE Business ily Absent nced Yea nced Nay Yea

VOTE NO. 150 JUNE 9, 1998

On June 4, 1998, Senator Daschle sent to the desk, for himself and others, a motion to close debate on the Commerce-2 substitute amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to invoke cloture.

Numerous amendments were pending at the time of the vote. See vote No. 151 for details.

Those favoring the motion to invoke cloture contended:

Debate on this bill is moving too slowly. We have been on it since May 19th. Granted, that time includes a week off for a district work period, but we cannot stay on this bill endlessly. Our colleagues say that they have numerous amendments, and they have been offering them, but they have not been willing to agree to negotiate a schedule that will allow limited debate on each of their amendments and the right of Democrats to set up the debate so that there can be back-to-back votes on Democratic alternative amendments. That refusal to set up votes in that manner has caused a delay in the consideration of amendments. If we continue at this slow pace, it will become impossible to complete it this year and also complete all of the required appropriations bills. We urge our colleagues to support cloture, and move this bill to completion.

Those opposing the motion to invoke cloture contended:

This massive tax-and-spend bill is still full of serious flaws. The American people have a right to know about those flaws, and Senators have a duty to understand what is in this enormous bill before they vote on passing it. The Commerce-2 amendment was not even drafted until the night before it hit the Senate floor (and it was drafted by the Clinton Administration, not the Commerce Committee), and it is full of offensive items that need to be exposed. This legislation is almost 500 pages long. It will impose more than \$750 billion in taxes directly on the lowest-income Americans, it will impose other penalties, it will spend every penny it raises, and it will create massive new bureaucracies to spend the money. Polls show that the more the American people understand about this bill the more they oppose it. They recognize it for what it is--a scheme to tax and spend. It is truly amazing that the Clinton Administration and its liberal Senate supporters, who only recently were backing a Food and Drug Administration plan that they said would reduce teen smoking by more than 50 percent without increasing spending, now say that the only possible way to reduce teen smoking is by passing a gigantic tax-and-spend bill. Our colleagues complain about the debate on this bill moving slowly. The reason it is moving slowly is because they have prevented votes. The Gramm motion to recommit has been pending for days because they filled up the amendment tree and have been trying to negotiate a compromise. They prefer spending all of the money in this bill rather than giving any of it back in tax relief to low-income Americans who are punished by the tax code for being married, but they would prefer that the voters did not know of that preference. Many of our liberal colleagues do not want amendments adopted that are supported by a majority of Senators and the American people when those amendments do not reflect liberal priorities. Our colleagues do not wish to close debate on this bill because they are worried about the pace of its consideration--they want to file cloture in an effort to preserve the objectionable priorities they and the Clinton Administration have put into it. They know that those policies do not have the support of a majority of Senators and the American people, so the only way they can protect them is by rushing the bill to final passage before they can be changed. We certainly will not help our colleagues in their scheme. We strongly oppose the motion to invoke cloture.